

City of London Corporation reneges on its social housing pledge

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The City of London Corporation announced in 2015 that they would build 3,700 new council homes by 2025. So far just 62 have been built!

The London *Evening Standard* reported that only 900 structures, less than a fourth of the goal, would be completed by 2025. This projection, quietly released in Corporation documents over the summer, has been blamed on red tape.

It is claimed that a scheme to combine the three historic markets at Billingsgate, Smithfield and New Spitalfields into a single site would free up space for housing, but this could not be done without further consultation and parliamentary approval. However, other homes had been planned in the boroughs of Lambeth, Southwark, Lewisham, Tower Hamlets, Hackney and Islington.

Simon Cribbens of the Corporation's Community and Children's Services Department cited "complexity" and "timeline" issues, while another spokesman vaguely promised, "We are developing a range of policies to ensure we deliver 3,700 extra homes much needed by Londoners as soon as possible."

Those estimated 250,000 Londoners on housing waiting lists would be well advised not to hold their breath. The callous indifference and lack of response by the authorities to the Grenfell fire tragedy have served to heighten public consciousness over housing shortages. The *Evening Standard* observed that the City's decision "had raised fears that other councils, particularly those with tighter budgets, will be unable to fund new social housing."

In May, Labour Party Mayor Sadiq Khan launched a project to construct 10,000 new council homes by 2022, claiming that the government "has turned its back on local authorities, severely hampering their

ambition to build by cutting funding and imposing arbitrary restrictions on borrowing." But even the homes promulgated by Khan, a minuscule target in the face of an unprecedented housing crisis, appear a highly unlikely eventuality.

A BBC Freedom of Information request revealed "redevelopment" plans to remove over 31,000 residents from 118 social housing developments, wiping out some 8,000 council houses. Over 80 of the 118 estates set for "regeneration" will be destroyed. They will join the 3,600 council homes that disappeared in 2016-17.

The "affordable" housing that will replace them will cost up to 80 percent of the average local market rent, an impossible sum for a working family to scrape together in London. Among the worst "social cleansing" councils are those run by the Labour Party. Neither will the Conservative government's lifting of the strict caps on local councils borrowing to pay for house building solve the problem when so many councils are set on gentrification, exacerbating the shortage.

Meanwhile, as the "regeneration" proceeds, the social disasters of homelessness, poverty and deaths among the homeless worsen. There has been a 97 percent increase in rough sleeping over the last five years. During the same period, the number of people dying on our streets or in temporary accommodation has more than doubled. The death toll in London between 2010 and 2017 was 158, but 40 people have already died in the first four months of this year.

As with other "world cities," London is plagued by rising rents which working people simply cannot afford to pay. But in the case of the "Square Mile" City of London, a unique set of circumstances also prevail. Unlike the 32 boroughs over which Khan and his officials hold sway, the City of London Corporation is

accountable to no one. It is unique among British local authorities for having the power to change its own constitution.

The City's own website is unashamedly boastful: "Within the City only the Sovereign takes precedence and outside the City the Lord Mayor's status is on par with that of a cabinet minister." The site reassures us that the Lord Mayor "works closely" with the London Mayor, "although they have distinct and separate responsibilities."

Democratic government has no place here. Although the approximately 9,000 residents who live in the four occupied wards are allowed a vote in the City's local elections, the 21 other wards award the franchise to the massively wealthy non-resident bankers and other financial worthies. Institutions are allowed votes according to their size and wealth. This "business vote" was estimated at 24,000 in 2009.

As for the City's archaic officialdom structures, starting off as a member of one of the City guilds or livery companies would be a favourable prerequisite for launching a political career. Then, if you're approved by the aldermen, you might become a freeman. As a freeman you would be positioned to become a common councilman, alderman, sheriff or even Lord Mayor.

The Corporation claims a mandate that "supports and promotes London as a place to live, work, study and be entertained." The Lord Mayor acts as "an international ambassador for the UK's financial and professional services sector." And, indeed, who wouldn't be attracted by a square mile in the centre of London, which is so autonomous that banking regulations prove ineffective and executive pay bonuses unchallengeable?

Since the Lord Mayor "makes sure that the City's interests are reflected in local and national policy," he enlists the assistance of another medieval character, the Remembrancer. He is, in modern terminology, the City's official lobbyist, occupying a permanent seat behind the Speaker in the House of Commons, carefully watching out for any democratic threats to the untouchable Corporate Medieval fiefdom.

Following the Occupy London protests in 2012, the Corporation released information about "City Cash"—the "sovereign wealth fund" stemming from the 15th century. Over 52 percent of its reserve in that year came from investments, with 29 percent from school fees, 8 percent from rent, and 9 percent from grants,

contributions and reimbursements. By 2016 its assets stood at £2.3 billion, generating £210 million yearly.

The 2018-23 Corporate Plan cynically insists "everything we do contributes toward the achievement of twelve outcomes." Those listed include: "People have equal opportunities to enrich their lives and reach their full potential" and to "Help provide homes that London and Londoner's need."

The City of London is a microcosm of the capitalist system: a thin democratic veneer with the votes literally stacked against working people and its main energies devoted to furthering the inequality that exacerbates the social crisis and produces untold misery and hardship.



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